IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH
AT HYDERABAD

(Special Original Jurisdiction)

TUESDAY, THE FIRST DAY OF MARCH
TWO THOUSAND AND FIVE

PRESENT

THE HON'BLE MR JUSTICE B. SUDERSHAN REDDY

and
THE HON'BLE MR JUSTICE C.V.RAMULU

WRIT PETITION NO : 13078 of 2003

Between:

M.Krishna Murthy, S/o.late Venkata Subbaiah,

R/o.H.No.1-5-4/A, New Maruthi Nagar,
Kothapet, Hyderabad-60.

..... PETITIONER

AND

1 The General Manager, Union Bank of India,
General Manager's Office, 12/13, Kodambakkam High Road,
Nungambakkam, Chennai -600 034.
2 The Chief Manager, Union Bank of India,
Khairatabad Branch, Khairatabad,
Hyderabad.

.....RESPONDENTS

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed herein the High Court may be pleased to issue a order or orders or a writ, more particularly one in the nature of writ of mandamus declaring the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, more particularly Section 13(2) and 13(4) as invalid and violative of the rights of the petitioner guaranteed under the Constitution of India and consequently declare the notice dated 17-5-2003 issued by the 2nd respondent under section 13(4) of the Act as arbitrary, violative of principles of natural justice and Article 14 and 300A of Constitution of India.

For the Petitioner: MR. Siddatapu Srinivasa Rao.

For the Respondents: MR. B.S.PRASAD, Standing Counsel.

The Court made the following:

ORDER: (per Sri B. Sudershan Reddy, J)

The constitutional validity of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (54 of 2002) (for short 'the Act') has been upheld by the Supreme Court in the decision rendered in Transfer Case (Civil) No. 92-95 of 2002 dated 08-04-2004 *(MARDIA CHEMICALS LTD. v. UNION OF INDIA & OTHERS)* except sub-Section (2) of Section 17 of the Act which was declared as *ultra vires* of Article 14 of the Constitution of India.

Following the said decision, the writ petition shall stand dismissed without costs.

However, the petitioner is entitled to avail the remedies as provided for under the Act including filing of appeal under Section 17 of the Act within the period of limitation prescribed therefor to be counted from today. No other relief is granted. Consequently, the interim order earlier granted by this Court shall stand vacated.

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B. SUDERSHAN REDDY,J

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C.V. RAMULU, J

Dt.01-03-2005

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To

1 The General Manager, Union Bank of India,
General Manager's Office, 12/13, Kodambakkam High Road,
Nungambakkam, Chennai -600 034.

2 The Chief Manager, Union Bank of India,
Khairatabad Branch, Khairatabad,
Hyderabad.

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